



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
C0070042
Q

November 12, 2008

Michael Blakey, Plant Manager
Sunnyside Cogeneration Associates
P.O. Box 159
Sunnyside, Utah 84539


Subject: Five-Year Permit Renewal, Sunnyside Cogeneration Associates, Star Point Refuse Mine, C/007/0042, Outgoing File

Dear Mr. Blakey:

The Division of Oil, Gas and Mining has reviewed your application for permit renewal and has made a decision to approve this application. Enclosed is the renewed permanent program mining permit for the Star Point Refuse Mine and a copy of the State's Decision Document.

Two (2) copies of the permit are included. Please have both copies signed by the responsible official for the Star Point Refuse Mine and return one to the Division. Please call Daron Haddock at (801) 538-5325 if you have any questions.

Sincerely,


John R. Baza
Director

sq

Enclosures

cc: J. Fulton, OSM
Price Field Office

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**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
PERMIT**

Sunnyside Cogeneration Associates
Star Point Waste Fuel Mine
C/007/0042
Carbon County, Utah

November 12, 2008

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ADMINISTRATIVE OVERVIEW

Sunnyside Cogeneration Associates
Star Point Waste Fuel Mine
C/007/0042
Carbon County, Utah

November 12, 2008

PROPOSAL

Sunnyside Cogeneration Associates has applied for a renewal of the permit to mine the refuse remaining after the closure of the Star Point Mine. SCA will continue to utilize the coal refuse material as a fuel source in its fluidized-bed combustion boiler at the power cogeneration plant at Sunnyside, Utah.

BACKGROUND

The Division received the original permit application for the Star Point Waste Fuel Mine on April 1, 2002. The permitting process was completed and a new permit for mining the waste pile was issued on November 14, 2003.

Construction of the refuse pile began in 1970 with wet processing of Run of Mine (R.O.M.) coal from the Wattis, Third and Hiawatha seams from the Star Point Mine operations. Material was continually added to the pile until mine closure in 1997. The quality of the refuse from the mine site changed over time as improvements were made to the processing of the R.O.M. coal. The most deeply buried refuse has greater btu/lb and is more fine than the material above (Exhibit 624.210a, Reserve Assessment of Star Point Coal Refuse Site).

Sunnyside Cogeneration Associates continues to mine waste materials from the refuse pile and haul it to their cogeneration facility at Sunnyside where it is burned as a fuel source for electrical generation.

Two reclamation scenarios are proposed for the disturbed area:

- (1) the Final Reclamation Scenario will be followed if the refuse pile is completely re-mined.
- (2) the Bonding Scenario Reclamation describes reclamation of the site if only a portion of the refuse is utilized for fuel.

The Applicant has estimated a bonding cost of \$1,254,000.

ANALYSIS

All of the information submitted by Sunnyside Cogeneration Associates has been found adequate to issue a renewed permit for the Star Point Waste Fuel Mine. SCA made application for renewal on June 6, 2008, which is well in advance of the 120 day requirement. The Division made a determination on July 9, 2008 that the application was administratively complete.

This permitting action was published in the Price Sun Advocate on July 29 and 31 and August 5 and 7, 2008. No comments were received.

An OSM-AVS recommendation was verified on November 12, 2008 with no violations found for Sunnyside Cogeneration Associates and Star Point Waste Fuel application.

Adequate liability insurance was posted by Sunnyside Cogeneration Association and treasury securities were posted in the amount of \$1,254,000. The Reclamation Agreement was signed and submitted on November 14, 2003 and remains in effect.

RECOMMENDATION

It is recommended that approval for the renewal of the permit for Sunnyside Cogeneration Associates for the Star Point Waste Fuel Mine be approved.

PERMITTING CHRONOLOGY

Sunnyside Cogeneration Associates
Star Point Waste Fuel Mine
C/007/0042
Carbon County, Utah

November 12, 2008

June 6, 2008	Sunnyside Cogeneration Associates (SCA) submits a renewal application for the Star Point Waste Fuel Mine.
July 9, 2008	The Division makes a Determination of Completeness.
July 29 & 31, August 5 & 7, 2008	Notice of permit renewal application was published in the <u>Sun Advocate</u> for four consecutive weeks.
July 14, 2008	Division notifies agencies of the Determination of Administrative Completeness for the Permit Renewal
September 8, 2008	Thirty-day comment period ends. No comments received.
November 12, 2008	AVS Check made. No outstanding violations
November 12, 2008	Renewed Permit issued effective November 14, 2008.


PERMIT RENEWAL FINDINGS


Sunnyside Cogeneration Associates
Star Point Waste Fuel Mine
C/007/0042
Carbon County, Utah

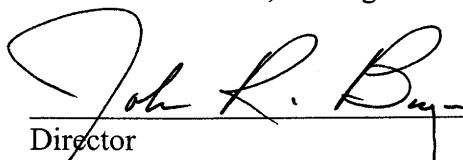
November 12, 2008

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being satisfactorily met (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The permittee has provided evidence of having liability insurance in the amount required (Federal Insurance Company- policy #3581-69-76)(R645-303-233.140).
6. The permittee has posted a reclamation performance bond in the form of collateral (treasury securities held in escrow at Wells Fargo Bank) in the required amount of \$1,254,000. A Reclamation Agreement was signed and submitted on November 14, 2003 and remains in effect. This instrument will remain in full effect for the additional permit period. No additional surface disturbances are approved with this renewal (R645-303-233.150).
7. The permittee has submitted all updated information as required by the Division at this time. (R645-233.160).


Permit Supervisor


Permit Supervisor


Associate Director, Mining


Director

FEDERAL

**PERMIT
C/007/0042**

November 14, 2008

**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple
Salt Lake City, Utah 84114-5801
(801) 538-5340**

This permit, C/007/0042, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

**Sunnyside Cogeneration Associates
P.O. Box 159
Sunnyside, Utah 84539
(435) 888-4476**

for the Star Point Waste Fuel Mine. A Collateral Bond is filed with the Division in the amount of \$1,254,000 in the form of treasury securities and is held in escrow at Wells Fargo Bank. A reclamation agreement is also filed which makes the bond payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSM) in the event of forfeiture. The Division must receive a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The permittee is authorized to conduct coal mining and reclamation operations on the following described lands within the permit area at the Star Point Waste Fuel Mine, situated in the state of Utah, Carbon County, and located in:

Township 15 South, Range 8 East

BLM LEASE LANDS

Township 15 South, Range 8 East, Section 15, Salt Lake Base and Meridian
N NW NW NE-5 ACRES
NE NE NW-10 ACRES
SW NW NW NE-2.5 ACRES
NW NE NW-10 ACRES
N NW SW NE NW-1.25 ACRES
N NE NW NW-5 ACRES
N NE SW NE NW-1.25 ACRES
SE NE NW NW-2.5 ACRES

N NW SE NE NW-1.25 ACRES
N NE SE NE NW-1.25 ACRES

Total BLM Parcel Contains: 40 Acres

BOUNDARY DESCRIPTION PARCEL 1: (FEE SIMPLE PROPERTY)

A parcel of land lying South of County Road 290 and situate in the South Half of the South Half of Section 10, Township 15 South, Range 8 East, Salt Lake Base and Meridian, Carbon County, Utah. Comprising 107.59 acres more or less out of those certain parcels of land owned in fee simple by Cyprus Plateau Mining Corporation, a Delaware Corporation, evidenced by that certain Quit Claim Deed recorded as Entry Number 61467, in Book 393, at Pages 487 - 504 of the Carbon County Records. Basis of Bearing for subject parcel being North $89^{\circ}30'09''$ East 5246.46 feet (measured) along the South line of the South Half of said Section 10. Subject parcel being more particularly described as follows:

Beginning at the 2 (two) inch iron pipe monumentalizing the Southwest corner of said Section 10; Thence North $89^{\circ}30'09''$ East 5246.46 feet (North $89^{\circ}51'$ East 79.48 chains, 5245.68 feet, per the Bureau of Land Management Dependent Resurvey of a portion of the Third Standard Parallel, executed by Daniel T. Mates under the supervision of Glen B. Hatch, July 12 through September 3, 1976, under Special Instructions dated May 28, 1976, for Group Number 566, Utah) coincident with the South line of said Section 10 to the 3 (three) inch Brass cap monument monumentalizing the Southeast Corner thereof; Thence North $01^{\circ}39'09''$ East (North $02^{\circ}01'$ East per said Dependent Resurvey) 1056.17 feet, coincident with the East line of the Southeast Quarter of said Section 10 to a point on the Southerly Right of Way line of County Road 290; Thence the following 29 (Twenty Nine) courses coincident with said Southerly Right of Way, (1) South $88^{\circ}11'31''$ West 464.63 feet to a point of curvature; (2) Southwesterly 178.81 feet along the arc of a 817.00 foot radius curve to the left (center bears South $01^{\circ}48'29''$ East) through a central angle of $12^{\circ}32'22''$ to a point of tangency; (3) South $75^{\circ}39'09''$ West 501.71 feet to a point of curvature; (4) Westerly 679.31 feet along the arc of a 1533.00 foot radius curve to the right (center bears North $14^{\circ}20'51''$ West) through a central angle of $25^{\circ}23'21''$ to a point of tangency; (5) North $78^{\circ}57'30''$ West 165.44 feet; (6) North $78^{\circ}17'39''$ West 270.53 feet; (7) North $76^{\circ}06'11''$ West 123.06 feet to a point of curvature; (8) Westerly 355.47 feet along the arc of a 1292.00 foot radius curve to the left (center bears South $13^{\circ}53'49''$ West) through a central angle of $15^{\circ}45'49''$ to a point of tangency; (9) South $88^{\circ}08'00''$ West 304.15 feet to a point of curvature; (10) Southwesterly 192.13 feet along the arc of a 1392.00 foot radius curve to the left (center bears South $01^{\circ}52'00''$ East) through a central angle of $07^{\circ}54'30''$ to a point of tangency; (11) South $80^{\circ}13'30''$ West 94.84 feet to a

point of curvature; (12) Southwesterly 193.22 feet along the arc of a 3033.00 foot radius curve to the right (center bears North 09°46'30" West) through a central angle of 03°39'00" to a point of tangency; (13) South 83°52'31" West 108.13 feet; (14) South 82°23'26" West 279.54 feet; (15) South 79°12'12" West 134.59 feet to a point of curvature; (16) Southwesterly 150.64 feet along the arc of a 292.00 foot radius curve to the left (center bears South 10°47'48" East) through a central angle of 29°33'28" to a point of tangency; (17) South 49°38'44" West 79.52 feet to a point of curvature; (18) Southwesterly 150.83 feet along the arc of a 283.00 foot radius curve to the right (center bears North 40°21'16" West) through a central angle of 30°32'13" to a point of tangency; (19) South 80°10'58" West 142.77 feet to a point of curvature; (20) Southwesterly 38.58 feet along the arc of a 217.00 foot radius curve to the left (center bears South 09°49'02" East) through a central angle of 10°11'14" to a point of tangency; (21) South 69°59'44" West 163.00 feet to a point of curvature; (22) Southwesterly 74.80 feet along the arc of a 167.00 foot radius curve to the left (center bears South 20°00'16" East) through a central angle of 25°39'50" to a point of tangency; (23) South 44°19'54" West 140.82 feet to a point of curvature; (24) Westerly 93.90 feet along the arc of a 183.00 foot radius curve to the right (center bears North 45°40'06" West) through a central angle of 29°23'57" to a point of tangency; (25) South 73°43'51" West 89.03 feet to a point of curvature; (26) Westerly 116.91 feet along the arc of a 308.00 foot radius curve to the right (center bears North 16°16'09" West) through a central angle of 21°44'56" to a point of curvature; (27) North 84°31'13" West 55.78 feet to a point of curvature; (28) Southwesterly 98.50 feet along the arc of a 242.00 foot radius curve to the left (center bears South 05°28'47" West) through a central angle of 23°19'19" to a point of tangency; (29) South 72°09'28" West 29.16 feet to a point on the West line of the Southwest Quarter of said Section 10; Thence South 00°22'24" East (South 00°02' East per said Dependent Resurvey) 417.33 feet coincident with said West line to the point of beginning.

Less and excepting therefrom the following described parcel:
Recorded September 10, 2002 as Entry Number 93650, Book 510, Page 446

A parcel of land situated in the South Half of the South Half of Section 10, Township 15 South, Range 8 East, Salt Lake Base and Meridian, Carbon County, Utah, lying South of County Road 290. Comprising 0.54 acres ± out of that certain parcel of land transferred to Sunnyside Cogeneration Associates by that certain Warranty Deed recorded as Entry Number 089890, in Book 495, at Pages 409 thru 430 of the Carbon County Records. Basis of Bearing for subject parcel being North 89°30'09" East 5246.46 feet (measured) along the South line of the South Half of said Section 10. Subject parcel being more particularly described as follows:

Beginning at a point on the South Right-of-way line of County Road 290 said point being located North 89°30'09" East 412.22 feet coincident with the South line of said Section 10 and North 00°29'51" West 475.03 feet from said 2 inch iron pipe monumentalizing the Southwest corner of said Section 10; Thence North 80°59'41" East, 282.69 feet; Thence North 11°43'28" West, 150.00 feet to a point on said Right-of-way line thence coincident with the said right-of-way the following 4 courses (1) South 69°59'44" West, 39.86 feet to a point of curvature; (2) Southwesterly 74.80 feet along the arc of a 167.00 foot radius curve to the left (center bears South 20°00'16" East) through a central angle of 25°39'50" to a point of tangency; (3) South 44°19'54" West, 140.82 feet to a point of curvature; (4) Southwesterly 62.66 feet along the arc of a 183.00 foot radius curve to the right (center bears North 45°40'06" West) through a central angle of 19°37'10" to the point of beginning.

Parcel 1 (less the Carbon County parcel): 107.04 Acres

PIONEER ACCESS ROAD EASEMENT (AS SURVEYED)

Attached to and made a part of that certain Surface Use Agreement dated effective the 30th day of August, 2002, by and between Plateau Mining Corporation and Sunnyside Cogeneration Associates, a Utah Joint Venture (General Partnership), among Sunnyside Holdings I, Inc. and Sunnyside II, L.P., covering the following described centerline of an existing fifty foot (50') wide strip of land for the construction of a pioneer road, being twenty-five feet (25') on either side of the centerline thereof, located in Section 10, Township 15 South, Range 8 East, SLB&M, with a bearing of North 89°30'09" East between the Southwest section corner and the Southeast corner of Section 10 used as a Basis of Bearing:

Beginning at a point 1865.99 feet North and 2794.15 feet East from the Southwest corner of Section 10, Township 15 South, Range 8 East, SLB&M. Thence North 84°41'22" West 140.54 feet; Thence North 39°27'22" West 78.04 feet; Thence North 16°45'22" West 55.78 feet

Parcel contains: 0.31 Acres

PIONEER ACCESS ROAD EASEMENT

Recorded September 16, 2002 as Entry #093784 Book 511 Page 96

Attached to and made a part of that certain Surface Use Agreement dated effective the 30th day of August, 2002, by and between Plateau Mining Corporation and Sunnyside Cogeneration Associates, a Utah Joint Venture (General Partnership), among Sunnyside Holdings I, Inc. and Sunnyside II, L.P., covering the following described centerline of an existing fifty foot (50') wide strip of land for the construction of a pioneer road, being twenty-five feet (25') on either side of the centerline thereof, located in Section 10, Township 15 South, Range 8 East, SLB&M, with a bearing of North

89°31'31" East between the Southwest section corner and the Southeast corner of Section 10 used as a Basis of Bearing:

Beginning at a point 1865.99 feet North and 2794.15 feet East from the Southwest corner of Section 10, Township 15 South, Range 8 East, SLB&M. Thence North 84°40'00" West 140.54 feet; Thence North 39°26'00" West 78.04 feet; Thence North 16°44'00" West 55.78 feet

Parcel contains: 0.31 Acres more or less

This legal description is for the permit area of the Star Point Waste Fuel Mine. The permittee is authorized to conduct coal mining and reclamation operations on the foregoing described property subject to the conditions of the leases and all other applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit becomes effective on November 14, 2008 and expires on November 14, 2013.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13 {e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
 - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct coal mining and reclamation operations only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.

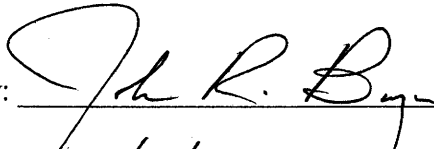
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
 - (b) immediate implementation of measures necessary to comply; and
 - (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.
- Sec. 9 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:
- (a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
 - (b) utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 10 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 11 RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 12 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 13 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq.) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 14 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 15 CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee

shall implement the mitigation measures required by Division within the time frame specified by Division.

- Sec. 16 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge filter backwash or pollutants in the course of treatment or control of waters or emission to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.
- Sec. 17 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.
- Sec. 18 SPECIAL CONDITIONS** - There are special conditions associated with this permitting actions as described in Attachment A.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

THE STATE OF UTAH

By: 
Date: 11/20/08

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

**Authorized Representative of
the Permittee**

Date: _____

ATTACHMENT A
Special Conditions

- 1) Sunnyside Cogeneration Associates must submit water quality data for the Star Point Waste Fuel Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.

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JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

JK

July 9, 2008

Michael Blakey, Plant Manager
Sunnyside Cogeneration Association
P.O. Box 159
Sunnyside, Utah 84539

Subject: Determination of Completeness for Permit Renewal, Sunnyside Cogeneration Associates, Star Point Refuse Mine, C/007/0042, Task ID #2986, Outgoing File

Dear Mr. Blakey:

The Division received your application for renewal of the Star Point Refuse permit on June 6, 2008. An initial review of the submitted information indicates that the application is administratively complete.

Because of the strict time frames associated with public notice for a renewal application, you should immediately proceed with publication as required by R645-300-121. At the same time you should ensure that a copy of your current plan is filed with the county recorder. A copy of the Affidavit of Publication should be forwarded to the Division for insertion into the Mining and Reclamation Plan as soon as it is available.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock".

Daron R. Haddock
Permit Supervisor

an
cc: Jim Fulton, OSM-WRCC
Price Field Office
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JON M. HUNTSMAN, JR.
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES


MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

November 12, 2008

TO: Internal File

FROM: Daron R. Haddock, Permit Supervisor 

SUBJECT: Compliance Review for Section 510 (c) Findings – Star Point Refuse Mine, Sunnyside Cogeneration Association, C/007/0042, Task ID #2986

As of the writing of this memo, there are no NOVS or COs which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of Sunnyside Cogeneration Association (SCA). SCA does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

Attached is a recommendation from the OSM Applicant Violator System for the Star Point Refuse Mine that states there are no outstanding violations.

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Permit Evaluation

Permit Number ACT007042
Permittee Name 128991 Sunnyside Cogeneration Associates
Date of Evaluation 11/12/2008 9:16:19 AM
Requested Individual Angela Nance

CAUTION: The Applicant/Violator System (AVS) is an informational database. Permit eligibility determinations are made by the regulatory authority with jurisdiction over the permit application not by the AVS. Results which display outstanding violations may not include critical information about settlements or other conditions that affect permit eligibility. Consult the AVS Office at 800-643-9748 for verification of information prior to making decisions on these results.

There were no violations retrieved by the system

Evaluation OFT

Entities: 19

149239 Cp Sunnyside I, Inc - ()
---149242 Sunnyside II Inc - (Subsidiary Company)
-----149255 Sunnyside II Lp - (Subsidiary Company)
-----128991 Sunnyside Cogeneration Associates - (Subsidiary Company)
-----151812 Andrew C Kidd - (Secretary)
-----154154 Daniel L Haught - (Treasurer)
-----154156 Stephen B Gross - (Director)
-----154156 Stephen B Gross - (Vice President)
-----154200 John T Long - (Director)
-----154200 John T Long - (President)
-----247840 Michael J Blakey - (Vice President)
-----247841 Paul C Shepard - (Vice President)
-----247842 Charles A Berardesco - (Assistant Secretary)
---154154 Daniel L Haught - (Treasurer)
---154156 Stephen B Gross - (Director)
---154156 Stephen B Gross - (Vice President)
---154200 John T Long - (Chairman of the Board)
---154200 John T Long - (Director)
---154200 John T Long - (President)
---154201 Steven L Miller - (Secretary)
149244 Colmac Sunnyside Inc - ()
---149245 Willis S Mcleese - (Chairman of the Board)
---149245 Willis S Mcleese - (Chief Executive Officer)
---149245 Willis S Mcleese - (Director)
---149246 Greg B Lawyer - (Director)
---149246 Greg B Lawyer - (President)
---149249 Robert S Mcleese - (Chief Financial Officer)
---149249 Robert S Mcleese - (Secretary)
---149252 Sunnyside Holdings I Inc - (Subsidiary Company)
-----128991 Sunnyside Cogeneration Associates - (Subsidiary Company)
-----149245 Willis S Mcleese - (Chairman of the Board)
-----149245 Willis S Mcleese - (Chief Executive Officer)
-----149245 Willis S Mcleese - (Director)
-----149246 Greg B Lawyer - (Chief Operations Officer)
-----149246 Greg B Lawyer - (Director)
-----149246 Greg B Lawyer - (President)
-----149249 Robert S Mcleese - (Chief Financial Officer)
-----149249 Robert S Mcleese - (Secretary)
---154148 Gilbert B Warren - (Director)
---247843 William Cangan - (Assistant Secretary)

Narrative

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS.

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and the first publication was on the 29th day of July, 2008, and that the last publication of such notice was in the issue of such newspaper dated the 7th day of August, 2008.



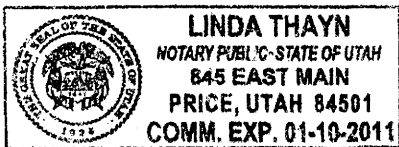
Richard Shaw - Publisher

Subscribed and sworn to before me this 7th day of August, 2008.



Notary Public My commission expires January 10, 2007 Residing at Price, Utah

Publication fee, \$ 366.08



PUBLIC NOTICE

Notice is hereby given as required by the Utah Coal Mining Rules, R645-300-121 that Sunnyside Cogeneration Associates, P.O. Box 159, Sunnyside, Utah 84539, has filed an application to permit Waste Coal Mining. Approval of this application will allow Sunnyside Cogeneration to operate the Star Point Waste Fuel project under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining Rules.

The permit area is comprised of 188 acres and is located in Wattis, Utah. The entire property is located within lands described as:

Township 15 South, Range 8 East, SLB&M.
Sections 2, 10, 15

Copies of the permit will be available for inspection at the following locations:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Utah Division of Oil, Gas and Mining
319 North Carbonville Road, Suite C
Price, Utah 84501

Mining activities were previously permitted by Permit C/007/042, dated November 24, 2003.

Written comments, objections, requests or an informal conference regarding this application must be submitted within 30 days of the last publication date of this notice, to the Utah Division of Oil, Gas and Mining, attention Coal Regulatory Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84116.

Published in the Sun Advocate July 29, 31 and August 5 and 7, 2008.

**RECLAMATION AGREEMENT
(COAL)**

**State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340**

Federal

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Affidavits of Qualification

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Exhibit "D"

Stipulation to Revise Reclamation Agreement

Permit Number: C/007/042
Date Original Permit Issued: New Permit
Effective Date of Agreement: _____

**RECLAMATION AGREEMENT
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(801) 538-5340**

COAL RECLAMATION AGREEMENT

--ooOOoo--

This **RECLAMATION AGREEMENT** (hereafter referred to as "Agreement") is entered into by Sunnyside Cogeneration Associates (hereafter referred to as the "Permittee") and the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (hereafter referred to as the "Division").

For the purposes of this **AGREEMENT** the information provided below, shall constitute forms of definition or are for information regarding the Permittee or its operations.

"PERMIT": (Mine Permit No.) C/007/042 (County) Carbon

"MINE": (Name of Mine) Starpoint Mine Waste Coal Pile

"PERMITTEE": (Company or Name) Sunnyside Cogeneration Associates

(Address) One Power Plant Road, P.O. Box 159, Sunnyside, Utah 84539

"PERMITTEE'S REGISTERED AGENT":

(Name) Brian W. Burnett

(Address) 10 East South Temple, Suite 900, Salt Lake City, Utah 84133

(Phone) 801-530-7428

"DESIGNATED OFFICIAL TO SIGN BONDING INSTRUMENTS AND PERMIT":

(Name) Greg B. Lawyer and Robert V. Escalante

(Phone) 760-436-8996 and 949-852-0606 Ext. 222

"BOND TYPE": (Form of Bond) Collateral

"BOND AMOUNT": (Bond Amount-Dollars) \$1,254,000.00

(Escalated Year-Dollars) \$1,254,000.00

"BOND NUMBER": Not Applicable

"INSTITUTION": (Bank or Agency) Wells Fargo Bank Northwest, National Association

"POLICY OR ACCOUNT NUMBER": Escrow Account No. 15152700

"LIABILITY INSURANCE": (Exp.) August 1, 2004

(Insurance Company) See attached Certificate of Insurance

"STATE": Utah

"DIVISION": Utah Division of Oil, Gas & Mining

"DIVISION DIRECTOR": Lowell Braxton

EXHIBITS:

"BONDED AREA"

Exhibit "A"

"BONDING AGREEMENT"

Exhibit "B"

"LIABILITY INSURANCE"

Exhibit "C"

"STIPULATION TO CHANGE BOND"

Exhibit "D"

WHEREAS, the Permittee is ready and willing to file the Bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws under the permit; and

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of SMCRA, the Act and the Regulations are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Regulations and Rules shall supersede conflicting provisions of this Agreement.
2. The Permittee agrees to comply with all terms and provisions of this Agreement, the Permit (which is based upon the approved Permit Application Package), the Act and the Regulations, including the reclamation of all areas disturbed by surface coal mining and reclamation operations, despite the eventuality that the costs of actual reclamation exceeds the Bond Amount.
3. The Permit Application Package includes a legal description of the Bonded Area, including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the Permit period. For convenience, a copy of the description of the Bonded Area is attached as Exhibit "A", and is incorporated by reference.
4. The Permittee agrees to provide a Bond to the Division in the form and amount acceptable to the Division ensuring the timely performance of the reclamation obligations in the manner and by the standards set forth in this Agreement, the Permit, (which is based upon the Permit Application Package), the Act and the Regulations. The Bond is attached as Exhibit "B" and is incorporated by reference.
5. The Permittee agrees to maintain in full force and effect the Liability Insurance policy submitted as part of the Permit application and which is described in the attached Exhibit "C". The Division shall be listed as an additional insured on this policy.
6. In the event that the Disturbed Area is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the Bond as appropriate in accordance with applicable law. In the event of material damage to the surface lands, or contamination, diminution or interruption of a protected water supply, caused by subsidence from underground coal mining, the Permittee shall increase the bond amount in any amount as required by the Division in accordance with R645-301-525.550.

7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division, and their respective employees and agents, from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or Permittee's agents or employees failure to abide by the terms and conditions of the approved Permit (which is based upon the approved Permit Application Package), and this Agreement. In the event the Cooperative Agreement is terminated, this paragraph will inure to the benefit of OSM with respect to Federal Lands, and otherwise to the benefit of the Division.
8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Disturbed Area in accordance with this Agreement, the approved Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve a written modification to this Agreement in accordance with applicable law.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the new Bond form meets the requirements of the Act, and the Regulations, but no Bond shall be released until the Division has approved and accepted the replacement Bond.
10. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this Agreement.
11. Any breach of the provisions of this Agreement, the Act, the Regulations, or the Permit (which is based upon the approved Permit Application Package) may, at the discretion of the Division, result in enforcement actions by the Division which include, but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's Permit and forfeiture of the Bond.
12. In the event of forfeiture of the Bond, the Permittee agrees to be liable for additional costs in excess of the Bond Amount which may be incurred by the Division in order to comply with the Permit (which is based upon the approved Permit Application Package), the Act, and the Regulations. Any excess monies resulting from the forfeiture of the Bond, upon compliance with this Agreement, shall be refunded as directed by the Permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.
13. No delay on the part of the Division in exercising any right, power, or privilege, under the Permit, the Bonding Agreement (Exhibit "B") and/or this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege thereof preclude other or further exercise of any right, power or privilege. The provisions

of this Agreement are severable, and if any provision of this Agreement, or the application of any provision of this Agreement, to any circumstances is held invalid, the application of such provision to other circumstances, and the remainder of this Agreement, shall not be affected thereby.

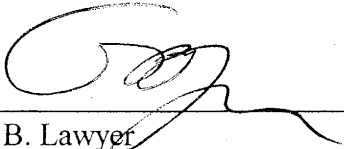
14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached thereto.

SO AGREED this 14th day of October, 2003.

PERMITTEE:

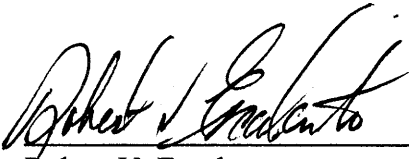
SUNNYSIDE COGENERATION ASSOCIATES,
a Utah joint venture, composed of:

By: SUNNYSIDE HOLDINGS I, INC.,
a Delaware corporation, a joint venture partner

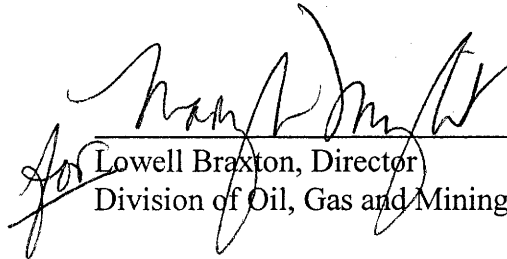
By: 
Name: Greg B. Lawyer
Title: President

By: SUNNYSIDE II, L.P.,
a Delaware limited partnership, a joint venture partner

By: SUNNYSIDE II, INC.,
a Delaware corporation, the general partner
of Sunnyside II, L.P.

By: 
Name: Robert V. Escalante
Title: Vice President

STATE OF UTAH:



for Lowell Braxton, Director
Division of Oil, Gas and Mining

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

DATE (MM/DD/YYYY)
7/29/2008

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